

BUSINESS BANCSHARES, INC.

| | CPP Disbursement Date 04/24/2009 | RSSD (Holding Company) 3189728 | Number of Insured Depository Institutions 1 | | |
|---|-------------------------------------|-----------------------------------|---|------|----|
| | | | | | |
| Selected balance and off-balance sheet items | 2010 \$ millions | 2011 \$ millions | %chg from prev | | |
| Assets | \$565 | \$514 | -9.1% | | |
| Loans | \$413 | \$381 | -7.7% | | |
| Construction & development | \$88 | \$45 | -49.5% | | |
| Closed-end 1-4 family residential | \$46 | \$37 | -19.3% | | |
| Home equity | \$20 | \$13 | -34.2% | | |
| Credit card | \$0 | \$0 | | | |
| Other consumer | \$0 | \$0 | 63.5% | | |
| Commercial & Industrial | \$75 | \$68 | -9.3% | | |
| Commercial real estate | \$143 | \$198 | 38.5% | | |
| | | | | | |
| Unused commitments | \$74 | \$68 | -8.5% | | |
| Securitization outstanding principal | \$0 | \$0 | | | |
| Mortgage-backed securities (GSE and private issue) | \$67 | \$40 | -40.6% | | |
| Asset-backed securities | \$0 | \$0 | | | |
| Other securities | \$5 | \$9 | 66.5% | | |
| Cash & balances due | \$67 | \$67 | 0.3% | | |
| | | | | | |
| Residential mortgage originations | | | | | |
| Closed-end mortgage originated for sale (quarter) | \$24 | \$19 | -21.5% | | |
| Open-end HELOC originated for sale (quarter) | \$0 | \$0 | | | |
| Closed-end mortgage originations sold (quarter) | \$20 | \$21 | 4.3% | | |
| Open-end HELOC originations sold (quarter) | \$0 | \$0 | | | |
| | | | | | |
| Liabilities | \$510 | \$456 | -10.7% | | |
| Deposits | \$476 | \$429 | -9.9% | | |
| Total other borrowings | \$33 | \$25 | -24.1% | | |
| FHLB advances | \$33 | \$25 | -24.2% | | |
| | | | | | |
| Equity | | | | | |
| Equity capital at quarter end | \$55 | \$58 | 6.5% | | |
| Stock sales and transactions with parent holding company (cumulative through calendar year) | \$0 | \$0 | NA | | |
| | | | | | |
| Performance Ratios | | | | | |
| Tier 1 leverage ratio | 9.4% | 11.7% | -- | | |
| Tier 1 risk based capital ratio | 12.1% | 13.6% | -- | | |
| Total risk based capital ratio | 13.4% | 14.9% | -- | | |
| Return on equity ¹ | -17.2% | 8.2% | -- | | |
| Return on assets ¹ | -1.7% | 0.9% | -- | | |
| Net interest margin ¹ | 3.4% | 4.0% | -- | | |
| Coverage ratio {(ALLL+Alloc transfer risk)/Noncurrent loans}} | 59.6% | 93.0% | -- | | |
| Loss provision to net charge-offs (qtr) | 95.6% | 99.2% | -- | | |
| Net charge-offs to average loans and leases ¹ | 6.1% | 0.9% | -- | | |
| ¹ Quarterly, annualized. | | | | | |
| | | | | | |
| | Noncurrent Loans | | Gross Charge-Offs | | |
| Asset Quality (% of Total Loan Type) | 2010 | 2011 | 2010 | 2011 | |
| Construction & development | 12.4% | 12.4% | 6.9% | 2.3% | -- |
| Closed-end 1-4 family residential | 1.3% | 4.8% | 0.0% | 0.0% | -- |
| Home equity | 0.0% | 0.0% | 0.0% | 0.0% | -- |
| Credit card | 0.0% | 0.0% | 0.0% | 0.0% | -- |
| Other consumer | 0.0% | 0.0% | 0.0% | 0.0% | -- |
| Commercial & Industrial | 3.6% | 1.9% | 0.0% | 0.0% | -- |
| Commercial real estate | 0.0% | 0.1% | 0.0% | 0.1% | -- |
| Total loans | 3.7% | 2.6% | 1.5% | 0.3% | |